



STATE OF NEW HAMPSHIRE

2011 - 2012

Biennial Motor Vehicle Inspection Program Report

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with the assistance of Gordon-Darby NHOST Service, Inc.**



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1. INTRODUCTION

This is the 2011 - 2012 Biennial Report to the United States Environmental Protection Agency (EPA) on the New Hampshire motor vehicle inspection and maintenance (I/M) program. This report is required by Title 40 Code of Federal Regulations Part 51.366 (e) *Additional reporting requirement*. This report is to be submitted to the EPA every other year and, and provides information on the following:

1. *Any changes made in program design, funding, personnel levels, procedures, regulations, and legal authority, with detailed discussion and evaluation of the impact on the program of all such changes; and*
2. *Any weaknesses or problems identified in the program within the two-year reporting period, what steps have already been taken to correct those problems, the results of those steps, and any future efforts planned.*

New Hampshire's I/M program consists of an anti-tampering inspection for pre-1996 vehicles less than 20-years old (1993 and newer for CY 2012), and an On-Board Diagnostics II (OBD II) inspection for MY 1996 and newer light-duty gasoline vehicles and for MY 1997 and newer light-duty diesel vehicles. The State's I/M program also includes a safety inspection, which is not addressed in this report.

2. PROGRAM OVERVIEW

New Hampshire is subject to federal I/M requirements due to elevated ozone levels in the southern and Seacoast portions of the state. New Hampshire is also located in the Ozone Transport Region designated under Sections 176A and 184 of the Clean Air Act. Although New Hampshire was redesignated to "attainment" for the 1997 8-hour ozone standard (78 FR 6741) and "unclassifiable/attainment" for the 2008 8-hour ozone standard in 2012 (77 FR 30088), New Hampshire is now operating under a 10-year Maintenance Plan and must continue to implement emissions reductions strategies such as the Motor Vehicle I/M Program.

New Hampshire's vehicle inspection program is administered by the New Hampshire Department of Safety, Division of Motor Vehicles (DMV) pursuant to Revised Statutes Annotated (RSA) Title XXI, Chapter 266, Section 266:59-b. With prime responsibility for air quality issues and policies falling on the New Hampshire Department of Environmental Services (DES), the two agencies work cooperatively to establish the rules to implement the program, conduct outreach and education activities, and prepare the annual and biennial reports.

All privately owned motor vehicles are subject to an annual safety inspection in the birth month of the registered owner. Corporate and fleet vehicles are inspected in specified months; government and municipal vehicles are to be inspected by March of each year. For eligible vehicles, the annual anti-tampering and OBD II inspections are conducted at the same time as the safety inspection.

Beginning in 1999, motor vehicles that were 1980 and newer also began to receive an anti-tampering inspection (also known as the enhanced safety inspection [ESI]) consisting of a visual

inspection for the presence and proper connection of the catalytic converter, gas cap, evaporative purge canister, positive crankcase ventilation valve and hoses, and the connection of the air injection pump/pulse air system. This program has continued since that time, with a legislative revision to the program in 2004 that changed the vehicles subject to the inspection to be those vehicles less than 20-model-years old¹.

Starting in May 2005, an advisory OBD II inspection program was conducted on MY 1996 and newer light duty gasoline vehicles (<8500 pounds) and MY 1997 and newer light duty diesel vehicles in lieu of the anti-tampering inspection. Vehicles underwent the OBD II test, but failed vehicles were allowed to obtain an inspection sticker and OBD II repairs were voluntary. Beginning December 1, 2006, MY 2002 and newer vehicles were subject to a pass/fail OBD test, with failures requiring repairs in order to obtain an inspection sticker. Model year 1996 to 2001 vehicles continued under an advisory program until October 1, 2007, at which time all vehicles were under the pass/fail criteria.

New Hampshire's vehicle inspection program is enforced by use of a highly visible windshield sticker. The sticker consists of two parts, a number indicating the month of inspection and a colored backing. Failure to have a current inspection sticker is a violation that can be enforced by all local and state law enforcement officers. The fine for an expired or missing inspection sticker is \$60 (*NH RSA 266:5*). DMV may suspend or revoke the registration of an un-inspected vehicle, or may refuse to register it.

New Hampshire law allows motorists 60 days for repairs for OBD II failures. Motor vehicles that pass the state's safety inspection, but fail the OBD II test receive just the number portion of the inspection sticker. Motorists are likely to be pulled over for lack of the colored portion of the sticker. By presenting a copy of their OBD II test report that shows they are within their 60-day grace period, a motorist can avoid a citation. Motorists that exceed the grace period are subject to the fines and consequences noted above.

Pursuant to Department of Safety (DOS), Division of Motor Vehicles (DMV) Administrative Rule 3222.08, New Hampshire offers economic hardship time extensions on a case-by-case basis as determined by the DMV. Such extensions are for a single inspection cycle and cannot be re-issued for a given vehicle. The hardship extensions were initiated in CY 2007

3. PROGRAM CHANGES - 51.366 (e) (1)

3.1 Program Design

In 2011 and 2012, there were no changes made to state regulations governing New Hampshire's I/M program. In mid-2012 the State entered into a 5-year contract with Gordon-Darby NHOST Services, Inc. to continue to provide OBD inspection services in the state. While some programmatic changes are proposed in the new contract period, no major changes were implemented in the timeframe of this report.

¹ EPA Region 1 was consulted at the time of this proposed legislation and had no objections to this program modification.

3.2 Funding

The NH OBD II vehicle emission inspection program is self-funded. Licensed inspection stations pay the State an annual administrative fee of \$25. Stations also pay \$3.25 per inspection sticker, of which \$0.25 is transferred to the motor vehicle pollution abatement fund (RSA 125-S:3) to support DES efforts to control air pollution from motor vehicles and the remainder is available to DOS to draw upon for all expenses related to the inspection administration and enforcement. Inspection stations also pay the vendor directly a minimum fee of \$60.00 per month or \$3.31 per test, whichever is greater. The vendor supplies the station equipment needed to complete the OBD II test and electronically report the results; there is no capital investment needed by the station.

The new (2012 – 2017) contract with Gordon Darby established a new pricing schedule starting with a base cost of \$3.31 per test. As new equipment or services are provided, the per-test fee increases:

<u>Cost per test</u>	\$3.31
Minimum Monthly Fee	\$60.00
Monthly Minimum Test Volume	22

Options – Additional per-test fees:

Base Covert Audit – Trigger Data Analysis	\$0.07
On-Demand Stickers	\$0.22
Education & Outreach	\$0.27
Medium Duty (< 14,000 lbs.) Testing	\$0.03
Voluntary Recall Notification	\$0.10

Following implementation of new triggers and triggers analyses in 2012, Gordon Darby increased their fee by \$0.07 per test raising an inspection station's per-test fee to \$3.38.

3.3 Personnel Levels

DMV has an established administrator position overseeing the emissions program. There are now 8 full-time Enforcement Officers performing overt inspections based on triggers analyses and as a routine inspection program. The Enforcement Officers are mostly prior inspection station staff thoroughly familiar with OBD test procedures. Enforcement Officers are trained by State Trooper and empowered to enforce state regulations related to New Hampshire's I/M Program. Although New Hampshire sets an annual goal of inspecting each of the state's 1,912 inspection stations once a year, State Troopers had been unable to meet this goal due in previous years due to other demands of their jobs. The full-time Enforcement Officers, however, have been able to exceed that goal visiting each of New Hampshire's 1,912 stations at least once, in 2012.

DES has a full-time Transportation Analyst position that supports the data analysis and reporting, as well as outreach and education activities of the I/M program. In 2011, DES's Transportation Analyst served as a team member in developing and issuing a request for proposals (RFP) for a new OBD II Program contract, reviewing responding consultants' proposals and scoring responding consultants.

3.4 Procedures

The NH IM program design and procedures did not change in CY 2011 and CY 2012.

In CY 2012, a total of 115 economic hardship time extensions were provided by DMV and in CY 2011 174 extensions were issued. This is in comparison to 103 in CY2009 and 191 in CY 2010. The Governor's Executive Council and OBD Advisory Committee have asked if the 1-year time extension limit should be increased beyond a single year, in view of the poor condition of the economy. Director of Motor Vehicles Richard Bailey indicated a longer hardship extension period is not necessary as only a very few extensions beyond one year have been requested out of over 900 granted since the procedure was instituted.

3.5 Program Authority (Legislation and Regulations)

There were no legislative changes relative to the authority to conduct the I/M program in New Hampshire in 2011 or 2012. The DOS Administrative Rules (Saf-C 3220) revised in 2008 remain unchanged and in effect through the biennial reporting period.

4. PROGRAM ISSUES - 51.366 (e) (2)

Weaknesses or Problems Identified and Steps Taken to Correct.

New Hampshire's I/M program includes several communication pathways through which problems can be identified and addressed.

The State's OBD vendor maintains a "Help Line" (1-800-383-4124) and a website ([http://www.nhostservices.com /](http://www.nhostservices.com/)) to assist motorists (station consumers) and inspection station staff. This combined manual/automated system is primarily to handle questions and troubleshooting from inspection stations.

The DOS-DMV also maintains a customer assistance phone line (1-603-271-2321) and website (<http://www.nh.gov/safety/divisions/dmv/emissions/index.html>) to provide program information and receive input of program weaknesses and problems. Both of these portals received only limited reports of problems over the biennial reporting period.

New Hampshire has a legislatively established OBD Advisory Committee tasked with reviewing and making recommendations on state OBD contracts and any necessary statutory or rule changes. This group meets as needed to discuss issues, pending legislation, contract changes, or other issues raised either by DES or DMV or brought to a legislative member by a constituent.

The Governor and Executive Council have contract approval authority and have offered their own suggestions regarding the program.

Additionally, in the fall of 2010, DES and DMV conducted 5 public "listening sessions" attended by 85 people representing 56 inspection stations throughout the state. These sessions resulted in a list of potential issues reported in the 2010 Biennial report.

Listed below are the problems or weaknesses that are either new since 2010 or that were reported in the 2009-2010 Biennial Report but were not resolved in that timeframe.

- Computer hardware and software issues – Stations indicated a need to:
 1. Use a network printer rather than an individual, dedicated printer
 2. Use any keyboard with the system
 3. Have the vendor provide virus protection
 4. Have the system automatically address vehicles with known communications problems

Comment: Options 1 and 2 are now available on a case-by-case basis as requested. Gordon Darby now provides virus protection across the entire system and provides software updates to address specific vehicles with known readiness and communications problems.

- Physical improvements – Stations wanted:
 1. More robust cables
 2. Uninterrupted power supply during power outages.

Comment: Gordon Darby made heavier-duty cables available to inspections stations as an option during 2010 and 2011 and provided heavier cables during the 2012 computer upgrades. Emergency power supplies automatically keeping a continuous power supply running during power outages was considered unreasonably expensive considering how few power interruptions there are, and was not required as part of the 2012 – 2017 contract.

- Operational changes – Stations requested the ability to:
 1. Manually edit incorrect information entered by DMV or Town Clerks into the Vehicle Identification Database (VID).
 2. Pay test fees by credit card without being charged a fee for that service.

Comment – Gordon Darby implemented software changes allowing inspection station operators very limited capability to edit the VID in such cases as the improper vehicle model year being entered by the Town Clerk or DMV. Gordon Darby tracks all such edits to ensure a station does not attempt fraud. Gordon Darby no longer charges stations a fee, for using a credit card.

During contract approval discussions, the Governor’s Executive Council raised several issues they viewed as Program weaknesses or problems. These were:

- Providing for an alternative test for “not ready” vehicles – If a car consistently shows “not ready” for OBD testing through no fault of the owner, an alternate test should be available. A tailpipe emissions test was suggested.

Comment – Presently, the only other emissions test available would be a tailpipe test using a probe inserted in the tailpipe of a running vehicle feeding into an on-site gas analyzer. New Hampshire explored this option in 1999 but found it not only difficult and expensive to implement, but less effective than the OBD II test program. New Hampshire has determined that

better outreach and education to both inspection station staff and motorists would better address dealing with “not ready” test results.

- Hardship time extensions – NH Rules Saf-C 3222.08 allow for a one-year non-renewable extension for motorists who cannot afford OBD related repairs. Given the poor economic conditions at the time, the Governor’s Council questioned whether an extensions should be allowed continue for more than one year.

Comment - DMV Director Rick Bailey noted that since the beginning of the OBD program, over 900 1-year hardship extensions had been issued, but in only a very few cases did a recipient request an additional time extension. Considering this would require a regulatory change and it would contravene federal program requirements NH will not be pursuing this suggestion further.

- Low Mileage Vehicle Exemption - The OBD Advisory Committee was asked to explore the option of exempting low mileage vehicles (vehicles that travel less than 100 miles per month or 1,000 miles per year) from OBD testing.

Comment - In 2012, NHDES investigated such exemptions offered in other states but implementation of a New Hampshire exemption will require amended legislation and Rules changes. Implementation of a low mileage vehicle exemption will be a 2013 – 2014 Program goal.

5. STATUS OF 2011 - 2012 PROGRAM GOALS AND FUTURE EFFORTS PLANNED

In 2011, the sole focus of the program was establishing a new contract to continue the New Hampshire I/M Program. On September 29, 2011, New Hampshire issued a Request for Proposals (RFP) to continue the OBD II inspection program and by the November 15, 2011 RFP due date, four vendors had responded. By December, one vendor had withdrawn its proposal and that same month, the NH OBD Contract Proposal Review Team heard verbal presentations from the remaining three.

On May 9, 2012, New Hampshire awarded Gordon Darby, Inc. a 5-year contract to continue the State’s I/M program. During the RFP and contract award process, New Hampshire set program goals that Gordon Darby and New Hampshire would focus on for the contract period:

- On-Demand Sticker Printing
- Development and implementation of five new “triggers”
- Education and Outreach

The status of each goal is:

On-Demand Sticker Printing – In an on-demand sticker printing system, each test unit has the ability to print individual stickers upon completion of a test. Each test and sticker information are recorded digitally and stored in a central database. On-demand printing would replace the present system where blank stickers are pre-printed in book form, stored centrally and shipped to inspection stations upon demand. Upon contract award, none of New Hampshire's 1912 full- and part-time inspection stations were equipped with test units having the capacity to print stickers. In 2012, Gordon Darby supplied new computers to all 1,912 inspection stations in preparation for the switchover to on-demand sticker printing. However, the present pre-printed sticker system was implemented through a combination state statutes and administrative rules that must be amended to allow New Hampshire to change to an on-demand system. Presently, DMV legal staff is undertaking a review of all applicable regulations and policies and is developing proposals for the necessary legislative changes. In the meantime, the pre-printed sticker system is still in place.

- Triggers – This goal has been met. In addition to existing triggers, Gordon Darby developed and implemented five new triggers in 2012.

Through the use of existing and new triggers, enforcement staff are alerted to inconsistencies in the testing and reporting procedures leading to overt inspections. In 2012, New Hampshire hired 8 “Enforcement Officers” replacing the 8 state troopers previously in charge of enforcement. The 8 Enforcement Officers, mostly former auto mechanics well-versed in OBD testing, have been trained by state troopers and have the power to enforce State laws and regulations. Unlike the previous state troopers, the Enforcement Officers are full-time OBD II program inspectors and have been able to complete inspections of all 1912 test stations. Although enforcement cases have been low in 2012, the increased number of inspections resulted in many more warnings and citations being issued and if problems persist, these warning and citations will result in a considerable increase in 2013 enforcement actions.

Education and Outreach – Inspection station staff are the “OBD sales persons” to motorists for the New Hampshire I/M program. Past experience has shown that both inspection station staff and motorists need outreach and education especially in the area of OBD failures. In many cases, inspection station staff lack the knowledge and expertise to properly deal with motorists' questions following an OBD failure and motorists generally lack sufficient knowledge to properly respond to receiving an OBD test failure. In 2012, NH DES, NHDMV and Gordon Darby staff met to begin planning for education and outreach. In 2013 and 2014, NHDES, NHDMV and Gordon Darby are planning to provide five “listening sessions” for NHHOST inspection stations focusing on:

- Program and technical updates
- Dealing with vehicle OBD failures
- Dealing with motorists with vehicles failing OBD
- Regulatory and policy changes

Further, NHDES, NHDMV and Gordon Darby will develop media messages to better educate motorists of their responsibility and options following an OBD failure for their vehicle.

6. 2013 - 2014 PROGRAM GOALS

The goals for 2013 – 2014 will be to:

- implement the on-demand sticker printing program;
- conduct listening/training sessions that will be used to better focus additional outreach and education to both inspection stations and motorists; and,
- further study the issue of low mileage vehicle exemptions and implement that option if it is determined to be of value.